



DEFENSE LOGISTICS AGENCY
THE DEFENSE CONTRACT MANAGEMENT COMMAND
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IN REPLY
REFER TO

AQBB

OCT 4

MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT
DISTRICTS

SUBJECT: DCMC Memorandum Number 96-57 , FY 97 DoD Reimbursable
Rates (INFORMATION)

This is an information memorandum. It expires after one year. This information will not be included in DLAD 5000.4, Contract Management . Target audience: All DCMC personnel involved with reimbursable contract administration services, especially business development focal points and reimbursable monitors both at the districts and contract administration offices.

The DoD Comptroller has established the following reimbursable rates for DLA/DCMC's Contract Administration Services. Please ensure dissemination of this information to business development focal points and reimbursable monitors. Also ensure your reimbursable customers are notified of the applicable rate. These rates became effective October 1, 1996.

NASA and Other Federal Agencies Rate: \$52.01 per direct labor hour.

Foreign Military Sales Rate: \$59.05 per direct **labor** hour.

Public Rate: \$60.21 per direct labor hour.

We have attached Tabs E (Contract Administration) and L (National Aeronautics and Space Administration for Contract Administration and Audit Services) of the DoD Comptroller's memorandum, FY 1997 DoD Reimbursable Rates, for your information. Direct any questions to Lt Col Bob Gallagher, Business Development and Marketing (AQBB) , (703) 767-2461, DSN 427-2461, e-mail: robert_gallagher@hq.dla.mil.

THOMAS E. BRUNK
Executive Director
Business Management

cc: Chief, Reimbursable Program Office

Attachments

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CONTRACT ADMINISTRATION
FISCAL YEAR 1997

Contract administration services (CAS) hourly reimbursable billing rates should be applied to direct labor hours incurred in support of CAS efforts. These CAS rates are to be used in billing other Federal Departments (except for the National Aeronautics and Space Administration), the public, and Foreign Military Sales (FMS) customers. FMS customers are to be billed in accordance with subsections 70406 and 80601 of Volume 15, "Security Assistance Policy and Procedures," of the DoD Financial Management Regulation (DoD 7000.14-R). The FY 1997 rates, which are effective October 1, 1996, are as follows:

<u>Performing DoD Component</u>	<u>Other Federal Agencies Rate</u>	<u>FMS Rate</u> <u>1/</u>	<u>Public Rate</u> <u>2/</u>
Army	\$58.67	\$65.57	\$67.89
Navy	\$64.61	\$70.92	\$73.76
Air Force	\$50.74	\$57.56	\$59.86
Defense Logistics Agency	\$52.01	\$59.05	\$60.21
Defense Contract Audit Agency	\$67.31	\$74.73	\$77.72

Notes:

1/ The FMS rate includes 16.7 percent for unfunded civilian retirement costs.

2/ The public rate includes 16.7 percent for unfunded civilian retirement costs and 4 percent for asset use charge.

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NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
FOR
CONTRACT ADMINISTRATION AND AUDIT SERVICES
FISCAL YEAR 1997

Composite hourly rates and target hour ceilings for contract administration and contract audit services (CACAS) to be provided by DoD activities to the National Aeronautics and Space Administration (NASA) in FY 1997 are as follows:

<u>DoD COMPONENT</u>	<u>RATE PER DIRECT HOUR 1/</u>	<u>NASA APPROVED TARGET HOURS CEILING 2/ 3/</u>
Navy	\$64.61	36,000
Air Force	\$50.74	43.5
Defense Contract Audit Agency (DCAA)	\$67.31	265,000
Defense Logistics Agency (DLA)	\$52.01	<u>700,000</u>
Total NASA Approved Hours		1,001,043.5

Notes:

1/ The above rates are effective October 1, 1996.

2/ The Navy, Air Force, Defense Contract Audit Agency and Defense Logistics Agency are responsible for management and further distribution of the target hours ceiling under their control.

3/ The DoD/NASA agreement requires that reimbursements earned be monitored to determine if they are in line with annual hourly targets. Each DoD Component is to review billings at least quarterly and report any significant deviations from its assigned hourly target. DoD Components are to stay within established target ceilings. There is no requirement for reimbursement by NASA if DoD exceeds the terms of the agreement without prior NASA approval.

Tab L